

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company
for Authority to Establish Its Authorized Rates of
Return on Common Equity for Electric Utility
Operations and Gas Distribution for Test Year
2003. (U 39 M)

Application 02-05-022

And Related Matters.

Application 02-05-025

Application 02-05-026

Application 02-05-031

**ADMINISTRATIVE LAW JUDGE'S RULING
SETTING ASIDE SUBMISSION FOR RECEIPT
OF ADDITIONAL INFORMATION**

This proceeding was submitted upon receipt of reply briefs with the proviso that a September 27, 2002 late-filed exhibit that updates long-term debt and preferred stock costs would be permitted, as set forth in the Assigned Commissioners' Scoping Memo and Ruling. Two events have occurred that warrant the setting aside of submission for the purpose of receiving additional information.

The first event is the Commission's August 30, 2002 amended plan of reorganization. That amended plan, the "CPUC's and Official Committee of Unsecured Creditors' First Amended Plan of Reorganization for PG&E," makes moot testimony provided in this proceeding on the Commission's initial plan. Because this proceeding is addressing a test year 2003 return on equity and

because PG&E is expected to emerge from bankruptcy at the start of 2003, it is appropriate to update the record on this alternative plan.

Parties should comment on impacts the Commission's amended plan of reorganization may have on PG&E's capital structure, long-term debt and preferred stock costs, and return on equity. A copy of this amended plan is available on the Commission's web site.¹

The second event is Aglet Consumer Alliance's (Aglet) September 9, 2002 E-mail objection to Southern California Edison Company's (SCE) inclusion of Appendices A and B as attachments and reference to those attachments in SCE's reply brief. Aglet seeks exclusion of such information on the basis that the material is not in evidence in this proceeding and that parties have had no opportunity to cross-examine any witness on it. Aglet's objection should be treated as a motion and all parties should be afforded an opportunity to respond to Aglet's objection.

The time-line for issuing a draft decision on this matter has been increased by seven days because of a rescheduling of the October 17, 2002 Commission meeting to October 24, 2002. Hence, this setting aside of submission for additional information is not intended to delay issuance of a draft decision on this matter.

IT IS RULED that:

1. The submission of Application (A.) 02-05-022, A.02-05-025, A.02-05-26, and A.02-05-031 is set aside to receive additional information as set forth in this ruling.

¹ See www.cpuc.ca.gov under regulated industries, electric.

2. Pacific Gas and Electric Company (PG&E) shall and interested parties may file comments on the impacts that the amended plan of reorganization identified in this ruling may have on PG&E's capital structure, long-term debt and preferred stock costs, and return on equity. Comments shall be filed and served by September 18, 2002.

3. Parties may comment on Aglet Consumer Alliance's motion to strike Appendices A and B and all reference to those attachments in Southern California Edison Company's September 6, 2002 reply brief. Comments shall be filed and served by September 18, 2002.

4. This proceeding shall stand submitted on September 18, 2002, except for the receipt of a September 27, 2002 late-filed exhibit that updates costs based on September forecasted interest rates, as set forth in the Assigned Commissioners' Scoping Memo and Ruling. However, to the extent that September forecasted interest rates are currently available, the utilities shall submit their late-filed exhibit concurrent with any updated information that they may file on September 18, 2002.

Dated September 11, 2002, at San Francisco, California.

/s/ MICHAEL F. GALVIN

Michael F. Galvin
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Setting Aside Submission for Receipt of Additional Information on all parties of record in this proceeding or their attorneys of record. In addition, service was also performed by electronic mail.

Dated September 11, 2002, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.